

ARIZONA RACING COMMISSION

524TH REGULAR MEETING**WEDNESDAY, AUGUST 12, 2003**

MINUTES OF PUBLIC MEETING

A public meeting of the Arizona Racing Commission was convened on Tuesday, August 12, 2003, beginning at 10:00 a.m. at Yavapai County Fairgrounds, 10501 Highway 89A, Grandstand Building, 3rd Floor, Prescott Valley, Arizona.

A. Call to Order:

Present: Chairman Burton Kruglick
Commissioner Michael Napier
Commissioner Michael Vespoli

Absent: Vice-Chairman Bob Ford

Also Present: Geoffrey E. Gonsher, Director
Daniel Christl, Assistant Attorney General

Chairman Kruglick called the 524th Regular Meeting of the Arizona Racing Commission to order at 10:00 a.m.

The following matters were discussed, considered, and decided at the meeting:

A. Call to Order

1. Approval of the Minutes of the 523rd Regular Meeting held Wednesday, July 9, 2003.

Chairman Kruglick called for a motion to approve the Minutes. Commissioner Napier moved to approve. Commissioner Vespoli seconded the motion. All in favor.

Chairman Kruglick recognized Prescott Valley Mayor Richard Killingsworth. Mayor Killingsworth welcomed those in attendance.

B. Department Information Reports

Commission members were provided with informational reports on all items listed below. Only select items were addressed by Director Gonsher at the Commission meeting.

- 1. Introduction of New Assistant Attorney General - Director Gonsher** introduced new Assistant Attorney General Daniel R. Christl who replaced Nancy Beck as Department and Commission counsel. Director Gonsher also introduced Department staff in attendance.
- 2. Applications for Renewal of Permit to Conduct a Horse Racing Meeting and to Conduct Teletrack Wagering**
- 3. FY 2002 Breeders' Awards Overpayments - Director Gonsher** reported that the issue has been resolved to everyone's satisfaction. The Department will use FY 2003 excess Breeders' Award funds to balance the account.
- 4. Department of Racing Office Restructure** - The Department of Racing office will be physically reconfigured August 20-22. The reconfiguration of the work cubicles will create a more open atmosphere, provide a productive workflow and increase the efficiency of the office. Permittees will be notified of the move and the possible inconvenience.
- 5. Investigations and Licensing Division Restructuring - Director Gonsher** noted that Linda Bergevin has been appointed to a new position in the agency, Enforcement and Compliance Manager. This position will oversee investigations and licensing. Steve Lump will remain in his current position as Investigations Supervisor, but will be spending more time in the field providing support to the investigations staff.
- 6. Reports by Permittees of Problems**
- 7. Office Support Provided by Permittees**
- 8. Greyhound Adoption Grant Quarterly Reports**
- 9. American Horse Slaughter Prevention Act - Commissioner Napier** urged the industry to scrutinize this pending legislation and to lend support to the passage of H.R. 857.
- 10. June Monthly Quality Service Information**

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C. New Business

The following New Business items are for a status report, presentation, discussion, and possible action for the Commission.

1. **Request for Approval – Revision to A.A.C. R19-2-107 - Director Gonsher** reminded Commission members that this rule, which allows licensed owners to have or participate in more than one stable name for racing purposes, was approved in concept at the last Commission meeting. Director Gonsher recommended the Commission approve the proposed rule revision. **Chairman Kruglick** asked for comments or discussion. There were none. **Commissioner Vespoli** moved for approval. **Commissioner Napier** seconded the motion. **All in favor.**
2. **Application of C. Thomas Taylor as General Manager of Tucson Greyhound Park - Director Gonsher** recommended approval of the application. **Commissioner Vespoli** moved for approval. **Commissioner Napier** seconded the motion. **All in favor.**
3. **Yavapai Downs Facility and Operations – Jim Grundy**, Yavapai Downs General Manager, gave a brief overview of Yavapai Downs, including Achieve Academy, the charter school based at Yavapai Downs, whose curriculum emphasizes equestrian and culinary studies. Mr. Grundy also noted that Yavapai Downs was dedicating the meeting room in memory of Chief Steward Gerry Howard, to be called the Gerry Howard Room.
4. **Yavapai Downs – Change in Gambling Age From 18 to 21 – Jim Grundy** reported that Yavapai Downs has followed a procedure similar to that of the other permittees. There has been no negative feedback from patrons and no problems.
5. **TGP Request to Discontinue Use of Full-Time EMT During Live Racing - Director Gonsher** asked the Commission to vote to reschedule this item until next month when Mr. Ford would be in attendance. **Commissioner Napier** moved to continue this item to the September meeting. **Commissioner Vespoli** seconded the motion. **All in favor.**
6. **Racing Commission Recognition Awards - Director Gonsher** asked for Commission guidance regarding the structure of the Recognition Award program. Director Gonsher reviewed the current process and suggested that a more structured program might increase the visibility of the program. **Commissioner Napier** expressed his support of the program but said he felt the program needed more structure, and needed to be presented in a more organized and effective manner. **Commissioner Napier** asked that Director Gonsher present a plan to the Commission that would increase the effectiveness of this program. **Chairman Kruglick** asked **Commissioner Napier** to work with the Director on this project. **Commissioner Napier** agreed.
7. **Proposed Revisions to the Arizona Department of Racing Administrative Code - Director Gonsher** reviewed the packet materials relating to the twenty proposed rule revisions and provided information regarding the rulemaking process. Rules 1 through 15 are recommended by the Department. **Commissioner Vespoli** moved to adopt Rules 1 through 15 as presented. **Commissioner Napier** seconded the motion, but noted he had reservations regarding Rule 10 (R19-2-113(B)(8) which reduces the workout requirement from two to one for horses that have not started within 45 days.). After a lengthy discussion **Chairman Kruglick** called for a vote. **All in favor.** The following rules were approved:
 - R19-2-102(12)(b) – Permits horses owned by the same owners to race uncoupled in stakes, handicaps, futurities and maturities when approved by the stewards.
 - R19-2-109(D)(2)(b) – Prohibits an apprentice jockey from claiming an allowance in stakes and handicaps.
 - R19-2-109(E)(1) – Eliminates contract employer definition.
 - R19-2-109(E)(3) – Permits a jockey's spouse to own a horse in a meeting in which the jockey is riding.
 - R19-2-111(D)(2) – Permits a trainer to enter a horse prior to issuance of an owner license.
 - R19-2-111(J) – Permits spouses who are both trainers to enter separate horses, not owned by either, in the same race without expressing a preference.

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- R19-2-111(M) – Eliminates qualifier for trainers who have assistant trainers.
- R19-2-113(A)(12) – Eliminates requirement for spouses who enter horses in same race to identify a preference.
- R19-2-113(B)(2) – Eliminates age restriction on maidens.
- R19-2-113(B)(8) – Reduces workout requirement from two to one for horses that have not started within 45 days.
- R19-2-113(C)(1) – Allows a horse to be identified and tattooed prior to the start of a race.
- R19-2-114(M)(3) – Establishes a start eligibility rule for starters allowance race.
- R19-2-115.06(A) – Allows a claimed horse from a winning race to run in any subsequent claiming race without restrictions.
- R19-2-106(D)(7) – Grants applicants a temporary license for 30 days to complete licensing requirements.
- R19-2-106(F)(4)(b) – Allows grooms to apply for a one-year license.

Rule 16 (R19-2-107(G) & (H) allowing multi-ownership groups) was previously approved by the Commission. Rule 17 (R19-2-112(17)(e) relating to threshold levels for drugs) was held for the Horse Racing Task Force. Rule 18 (R19-2-123(A)(4) relating to appeal bond vs. appearance bond) will be brought back to the Racing Commission in September. Several individuals participated in a discussion of Rule 19 (R19-2-114(K)(4) that provides Arizona bred horses a three-pound advantage in qualifying for races). Spokesmen for the Horsemen's Benevolent and Protective Association spoke in support of the rule with certain modifications. Spokesmen for the Arizona Thoroughbred Breeders Association and Turf Paradise spoke in opposition of the rule. Other individuals attending the meeting expressed either support or opposition. After prolonged discussion, **Commissioner Napier** moved to deny the rule revision. **Commissioner Vespoli** seconded the motion for discussion purposes. After further discussion, **Commissioner Napier** amended his motion to include a strong recommendation that a new rule be brought back to the Commission that reflects a consensus among all parties. After receiving advice from Assistant Attorney General Christl, **Commissioner Napier** amended his motion and moved to table the matter until the September Commission meeting to see if a common ground could be found. **Commissioner Vespoli** seconded the motion. After input from the parties involved, **Commissioner Napier** amended his motion to table the matter to the October meeting rather than the September meeting. **Commissioner Vespoli** seconded the amended motion. **All in favor.** **Director Gonsler** noted that the Department does not recommend approval of Rule 20 (R19-2-113(B)(3) that eliminates any and all age restrictions on horses). Several individuals joined Commission members in discussion of the proposed rule. At the end of the discussion, **Commissioner Napier** moved to have a modified version of the rule returned to the Commission for consideration. The modified rule should include some protection for the horses. **Commissioner Vespoli** seconded the motion. **All in favor.** **Commissioner Napier** asked that he be provided with the following: 1) When the rule was adopted. 2) Statistical information on how many horses over 14 years of age are still racing. 3) How many horses have been prohibited from racing because of this rule.

8. Permittee Operations Reports

- Apache Greyhound Park – no report
- **County Fairs** – **Mary Ella Cowan**, Arizona Counties Racing Association President, invited Commission members and those in attendance to the County Fair meeting to be held October 4 at Globe County Fairgrounds.
- Phoenix Greyhound Park – no report
- Rillito Park – no report
- Tucson Greyhound – no report
- Turf Paradise – no report
- Yavapai Downs – no report
- Yuma Greyhound Park – no report

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C. Commission Reports

1. **Summary of Current Events Affecting the Arizona Racing Commission.**
2. **Identification of Matters To Be Placed on Future Agendas.**

At the request of **Chairman Kruglick**

- Resolution in support of the H.R. 857, American Horse Slaughter Prevention Act
- Future of racing in Arizona
- Reports from Turf Paradise Foundation and Phoenix Greyhound Park Foundation

At the request of **Commissioner Napier**

- The Department to address legislation regarding the retirement of racehorses and greyhounds
- Clarification of the jurisdictional division between Racing and Gaming

Executive Sessions. The Commission may vote to go into executive session on any of the foregoing agenda items for legal advice from its attorney pursuant to A.R.S. § 38-431.03(A)(3).

E. Call to the Public

Those members of the public wishing to address the Commission must sign the signup sheet and be recognized by the Chair. Time permitting; each presentation will be given approximately five minutes. Action taken as a result of public comment will be limited to directing staff to study the matter or re-schedule the matter for further consideration at a later date.

Announcements

The next regular commission meeting will be held on September 10, 2003, at 10:00 a.m.

Adjournment:

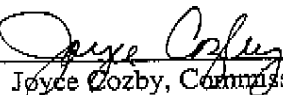
Chairman Kruglick called for a motion to adjourn. **Commissioner Vespoli** moved to adjourn. **Commissioner Napier** seconded the motion. **All in favor.**

The meeting adjourned at 11:40 a.m.

Dated this 19th day of August 2003.

Arizona Racing Commission

By



Joyce Cozby, Commission Secretary